

1 JOSEPH A. YANNY, ESQ. - Bar No. 97979
 2 PATRICK K. SMITH, ESQ. - Ohio Bar No. 11208
 3 LAW OFFICES OF JOSEPH A. YANNY
 4 1925 Century Park East
 5 Suite 1260
 6 Los Angeles, California 90067
 7 (310) 551-2966
 8 Attorneys for Petitioner Joseph A. Yanny

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SUPERIOR COURT OF CALIFORNIA
 FOR LOS ANGELES COUNTY (CENTRAL)

10 CHURCH OF SCIENTOLOGY OF)
 11 CALIFORNIA, a California)
 12 corporation,)
 13 Plaintiff,)
 14 vs.)
 15 GERALD ARMSTRONG; DOES 1)
 16 through 10, inclusive,)
 17 Defendants.)

Civil No. C 420153
 REPLY TO OPPOSITION TO
 APPLICATION TO INTERVENE
 AND FOR ACCESS TO SEALED
 FILES; REQUEST FOR
 SANCTIONS
 DATE: December 23, 1991
 TIME: 9:00 a.m.
 DEPT: 56

17 GERALD ARMSTRONG,)
 18 Cross-Complainant)
 19 vs.)
 20 CHURCH OF SCIENTOLOGY OF)
 21 CALIFORNIA, a California)
 22 corporation; L. RON HUBBARD;)
 23 and DOES 1 through 100,)
 24 inclusive,)
 25 Cross-Defendants)

DISCOVERY CUTOFF: None
 MOTION CUTOFF: None
 TRIAL DATE: None

1 Intervene, SCIENTOLOGY has brought an action against YANNY
2 alleging, *inter alia*, that YANNY (one of SCIENTOLOGY's former
3 attorneys) has breached his fiduciary duties to SCIENTOLOGY by
4 representing ARMSTRONG. SCIENTOLOGY is now using this action
5 to attempt to "silence" ARMSTRONG (by way of a settlement
6 agreement that is void as against public policy), thus
7 depriving YANNY of his ability to defend himself in the action
8 against him. The injustice created by SCIENTOLOGY's scheme is
9 transparent and cannot be condoned nor allowed to continue.

10 II.

11 YANNY'S APPLICATION TO INTERVENE COMPLIES
12 WITH CODE OF CIV. PRO. § 387

13 SCIENTOLOGY argues that YANNY's Application to Intervene
14 is improper because YANNY has not filed a proposed Complaint
15 with his Application. However, such an argument is specious,
16 and is merely putting form over substance. This Court must
17 keep in mind that SCIENTOLOGY is seeking to enforce a
18 settlement agreement against ARMSTRONG and is seeking
19 sanctions against ARMSTRONG for allegedly breaching that
20 settlement agreement. SCIENTOLOGY is seeking relief for an
21 alleged breach of contract, yet SCIENTOLOGY does not have a
22 complaint on file for such a breach. See, CCP § 350.

23 Section 387(a) provides, in part:

24 . . . An intervention takes place when a
25 third person is permitted to become a
26 party to an action or proceeding between
27 other persons either by joining the
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1 a representation violates YANNY's fiduciary duties owed to
2 SCIENTOLOGY. In an effort to prove the falsity of this
3 allegation, ARMSTRONG provided a declaration to YANNY which
4 YANNY used in Opposition to an Application for a Temporary
5 Restraining Order.

6 SCIENTOLOGY has now come before this Court seeking
7 sanctions against ARMSTRONG, claiming that such assistance to
8 YANNY has violated the terms of a settlement agreement between
9 SCIENTOLOGY and ARMSTRONG. There can be no fair debate that
10 YANNY has a very direct interest in the outcome of the action
11 between SCIENTOLOGY and ARMSTRONG. If SCIENTOLOGY prevails in
12 this action, SCIENTOLOGY will have effectively "hushed"
13 ARMSTRONG, a vital witness in YANNY's defense in the action by
14 SCIENTOLOGY against YANNY. YANNY's interest in this action,
15 and in the unenforceability of the settlement agreement, could
16 not be plainer.

17 YANNY would also request this Court to note that there
18 are several SCIENTOLOGY related entities and individuals who
19 are participating in this action as "interested parties",
20 although they are not technically parties to this action.
21 YANNY submits that his interests in the outcome of this action
22 are at least equally, if not more, important than the
23 interests of those other individuals and entities. YANNY's
24 ability to defend himself against serious, highly contrived,
25 allegations depends in large part upon the outcome of this
26 action. To deny YANNY's ability to participate in this action
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1 would be to deny YANNY his ability to effectively defend
2 himself. Certainly, this cannot be the result desired by this
3 Court.

4 IV.

5 THE INTERVENTION DOES NOT VIOLATE
6 THE PRELIMINARY INJUNCTION

7 SCIEN TOLOGY is attempting to argue that an injunction
8 issued by Judge Cardenas in the SCIEN TOLOGY action against
9 YANNY should be construed to prevent YANNY from defending
10 himself in that action or from protecting his interests in any
11 court! This is absolutely not the intended purpose of the
12 Preliminary Injunction, and Scientology's arguments to the
13 contrary are blatant falsehoods. It is no wonder that the
14 attorney who signed the Opposition on behalf of SCIEN TOLOGY is
15 not one of the attorneys involved in the YANNY action.

16 At the hearing on the Preliminary Injunction, Judge
17 Cardenas made it clear that the Preliminary Injunction would
18 in no way be construed to hinder YANNY's ability to gather
19 evidence in his defense. Submitted herewith as Exhibit "2" is
20 a true and correct copy of the Transcript of Proceedings
21 wherein Judge Cardenas entered the Preliminary Injunction.
22 Judge Cardenas stated at that hearing:

23 . . . The Court makes no Order
24 precluding or preventing Mr. Yanny from
25 bringing any legal action against the
26 Plaintiffs, should he deem that he has
27 been wronged.

1 It is not an Order that precludes
2 him from gathering evidence in support of
3 his case against the Plaintiffs, nor does
4 it preclude him from talking to potential
5 witnesses for his case, should there be
6 one.

7 I purposefully have not sought to
8 enumerate all the instances that are not
9 covered, but rather to give you some
10 general statements to give you some
11 guideline.

12 . . . The Order is made this morning
13 on the premise that Mr. Yanny denies that
14 he represents Armstrong, and if that's
15 the case, he's not harmed in the interim
16 by it, but the comments made are intended
17 to give some insight that I don't
18 anticipate nor will I look too kindly on
19 Plaintiffs bringing Defendant Yanny in
20 here for every, little claimed wrong,
21 because that is not the intent.

22 Clearly, Judge Cardenas did not intend that his Order
23 prohibit YANNY from protecting his own rights, and
24 SCIENTOLOGY'S argument to the contrary is blatantly false as
25 is best evidenced by the fact that SCIENTOLOGY has not sought
26 a contempt holding against YANNY.

1 SCIENTOLOGY completely ignores the following facts: 1)
2 YANNY is not seeking to intervene in this action as an
3 attorney, but rather as an individual who has been sued by
4 SCIENTOLOGY; 2) SCIENTOLOGY has alleged that YANNY and
5 ARMSTRONG have engaged in activities which both breach YANNY's
6 fiduciary duties and ARMSTRONG's settlement agreement; 3)
7 SCIENTOLOGY is now attempting to prevent YANNY from gathering
8 evidence for his defense to those meritless allegations by
9 "silencing" ARMSTRONG, a witness for YANNY, in this court by
10 attempting to enforce the terms of an illegal settlement
11 agreement; and 4) YANNY is attempting to intervene in this
12 action so that YANNY can preserve evidence for his defense.

13 Despite SCIENTOLOGY's arguments to the contrary, YANNY is
14 not aligning himself with ARMSTRONG in this action - YANNY is
15 attempting to intervene on his own behalf to protect his own
16 interests. YANNY is attempting to challenge the validity of
17 certain provisions of the settlement agreement in this action,
18 which settlement agreement is illegal and directly affects
19 YANNY's ability to defend himself in another action. It has
20 been held that agreements between parties which obstruct
21 justice by concealing evidence are void as against public
22 policy.

23 See, e.g., Williamson v. Superior Court (1978) 21 Cal. 3d 829,
24 148 Cal. Rptr. 39; Allen v. Jordanos' Inc. (1975) 52 Cal. App.
25 3d 160, 125 Cal. Rptr. 31.

26 SCIENTOLOGY wrongly concludes that YANNY's intervention
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1 in this action would be as ARMSTRONG's counsel, and thus, it
2 would violate a preliminary injunction. This argument is
3 disingenuous at best, and should not be accepted by this
4 Court. YANNY's interests in this action are potentially
5 adverse to both ARMSTRONG and SCIENTOLOGY. If this Court
6 finds that it does not have jurisdiction over this matter, as
7 ARMSTRONG alleges, ARMSTRONG will not be sanctioned, thus, his
8 interests will be protected. If this Court finds against
9 ARMSTRONG, SCIENTOLOGY's interests will be protected. Under
10 either of these possible scenarios, however, neither YANNY nor
11 the public's interests will be protected.

12 YANNY and the public have an interest in challenging the
13 Settlement Agreement in this action. Certain terms of the
14 agreement are preventing YANNY from defending himself in
15 another proceeding, and the public is being deprived of the
16 right to know about SCIENTOLOGY's illegal activities because
17 SCIENTOLOGY has attempted to buy the silence of witnesses.

18 SCIENTOLOGY's motives are most apparent - they want YANNY
19 to fight a frivolous action against him without the benefit of
20 evidence or witnesses. Once again, SCIENTOLOGY wants to
21 divide the judicial system into two systems - one for those
22 who can afford to buy off witnesses and corrupt the legal
23 system, and one for those who cannot. Such an economic
24 division of the judiciary is clearly not in keeping with equal
25 protection, and should not be condoned by this Court.

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1 litigated in this case and others like it) are of paramount
 2 importance and an absolute bar to the enforceability of the
 3 type of agreement proposed by SCIENTOLOGY. SCIENTOLOGY's
 4 activities on a good day are merely intentionally tortious,
 5 but as Time magazine stated, are generally, day in and day out,
 6 illegal. The nation has a compelling interest in seeing that
 7 its citizens are fully appraised of the facts surrounding such
 8 activities through the exercise of free speech so that all
 9 citizens are afforded equal protection and due process
 10 irrespective of financial wherewithall

11 SCIENTOLOGY wants this Court to assist in SCIENTOLOGY's
 12 plan to "silence" witnesses and obstruct justice so that
 13 SCIENTOLOGY's "goal" of a "two class judicial system" can be
 14 advanced. The day that such a system is endorsed by any Court
 15 is the day that the undersigned must burn his Bar card,
 16 because he cannot swear to uphold the Constitution of a
 17 country where such activities are permitted, condoned or
 18 encouraged by the courts. Such a ruling will be considered by
 19 the undersigned as a "call to arms". However, since in the
 20 course of human events it is still possible to challenge the
 21 proposals of SCIENTOLOGY in this regard, this matter remains

22 DATED: December 17, 1991

Respectfully submitted,

LAW OFFICES OF JOSEPH A. YANNY

By: 

Joseph A. Yanny
 Attorneys for YANNY

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 1925 Century Park East, Suite 1260, Los Angeles, California 90067.


On December 17, 1991, I served the foregoing document described as: REPLY TO OPPOSITION TO APPLICATION TO INTERVENE AND FOR ACCESS TO SEALED FILES; REQUEST FOR SANCTIONS on the interested parties in this action by telefacsimile and by placing true copies thereof enclosed in a sealed envelope, and delivering the same by hand, addressed as follows:

All Scientology Counsel served care of:
Bowles & Moxon
6255 Sunset Blvd., Suite 200
Hollywood, Ca 90028

Toby Plevin, Esq.
10700 Santa Monica Blvd., #4-300
Los Angeles, CA 90025

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct and that I am employed by a member of the bar of this Court at whose direction this service was made.

Executed this 17 day of December, 1991, at Los Angeles, California.


Thomas Grieco

1 JOSEPH A. YANNY, ESQ. - Bar No. 97979
 2 PATRICK K. SMITH, ESQ. - Ohio Bar No. 11208
 3 LAW OFFICES OF JOSEPH A. YANNY
 4 1925 Century Park East
 5 Suite 1260
 6 Los Angeles, California 90067
 7 (310) 551-2966

8 Attorneys for Petitioner Joseph A. Yanny

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SUPERIOR COURT OF CALIFORNIA
 FOR LOS ANGELES COUNTY (CENTRAL)

CHURCH OF SCIENTOLOGY OF CALIFORNIA, a California corporation,

Plaintiff,

vs.

GERALD ARMSTRONG; DOES 1 through 10, inclusive,

Defendants.

Civil No. C 420153

EXHIBIT "2" IN SUPPORT OF PETITIONER'S REPLY TO OPPOSITION TO APPLICATION TO INTERVENE AND FOR ACCESS TO SEALED FILES; REQUEST FOR SANCTIONS

DATE: December 23, 1991
 TIME: 9:00 a.m.
 DEPT: 56

GERALD ARMSTRONG,

Cross-Complainant

vs.

CHURCH OF SCIENTOLOGY OF CALIFORNIA, a California corporation; L. RON HUBBARD; and DOES 1 through 100, inclusive,

Cross-Defendants

DISCOVERY CUTOFF: None
 MOTION CUTOFF: None
 TRIAL DATE: None

DATED: December 17, 1991

Submitted by,

LAW OFFICES OF JOSEPH A. YANNY

By:

Joseph A. Yanny

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

DEPARTMENT 41

HON. RAYMOND CARDENAS, JUDGE

RELIGIOUS TECHNOLOGY CENTER, A)
CALIFORNIA NON-PROFIT RELIGIOUS)
CORPORATION; CHURCH OF SCIENTOLOGY)
INTERNATIONAL, A CALIFORNIA NON-PROFIT)
RELIGIOUS CORPORATION; AND CHURCH OF)
SCIENTOLOGY OF CALIFORNIA, A)
CALIFORNIA NON-PROFIT RELIGIOUS)
CORPORATION,)

PLAINTIFFS,)

VS.)

JOSEPH A. YANNY, AN INDIVIDUAL;)
JOSEPH A. YANNY, A PROFESSIONAL LAW)
CORPORATION; AND DOES 1 THROUGH 25,)
INCLUSIVE,)

DEFENDANTS.)

SUPERIOR COURT
CASE NO. EC 033035

REPORTER'S PARTIAL TRANSCRIPT

AUGUST 6, 1991

APPEARANCES:

(AS NOTED ON NEXT PAGE.)

COPY

LINDA STALEY, CSR NO. 3359
OFFICIAL REPORTER

APPEARANCES:**FOR PLAINTIFF CHURCH
OF SCIENTOLOGY:****QUINN, KULLY & MORROW
BY: JOHN J. QUINN
520 SOUTH GRAND AVENUE
8TH FLOOR
LOS ANGELES, CALIFORNIA
(213) 622-0300****FOR PLAINTIFF RELIGIOUS
TECHNOLOGY CENTER:****WILLIAM T. DRESCHER
23679 CALABASAS ROAD
SUITE 338
CALABASAS, CALIFORNIA 91302
(818) 591-0039****FOR DEFENDANT JOSEPH
A. YANNY, INDIVIDUALLY:****CUMMINGS & WHITE
BY: BARRY VAN SICKLE
865 SOUTH FIGUEROA STREET
24TH FLOOR
LOS ANGELES, CALIFORNIA 90017
(213) 614-1000****FOR DEFENDANT JOSEPH
A. YANNY, A PROFESSIONAL
CORPORATION:****JOSEPH A. YANNY
1925 CENTURY PARK EAST
SUITE 1260
LOS ANGELES, CALIFORNIA 90067
(213) 551-2966**

1 LOS ANGELES, CALIFORNIA

TUESDAY, 8-6-91 # 9:32 A.M.

2 DEPT. 41

HON. RAYMOND CARDENAS, JUDGE

3 APPEARANCES: (AS NOTED ON TITLE PAGE.)

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7 (PREVIOUS PROCEEDINGS WERE REPORTED,
8 BUT NOT TRANSCRIBED HEREIN.)

9
10 THE COURT: THE COURT, AFTER HEARING ARGUMENT AND
11 READING THE DOCUMENTS OF COUNSEL, DOES THE FOLLOWING:

12 INSOFAR AS THE TRO IS CONCERNED, THE COURT
13 FINDS THAT IT IS TOO BROAD IN NATURE, THEREFORE, THE COURT
14 WILL DO THE FOLLOWING:

15 THE COURT FINDS THAT THERE IS A LIKELIHOOD
16 THAT THE PLAINTIFFS WILL PREVAIL IN THIS MATTER AGAINST MR.
17 YANNY AND, THEREFORE, AND ALSO, THAT IN LIGHT OF MR.
18 YANNY'S STATEMENT THAT HE DOES NOT REPRESENT ARMSTRONG,
19 THAT HE SHOULD NOT BE, THEREFORE, CONCERNED WITH A
20 PRELIMINARY INJUNCTION.

21 THE COURT RULES THAT YANNY -- THE COURT NOTES
22 THAT YANNY REPRESENTED THE PLAINTIFFS FOR SEVERAL YEARS AND
23 NOW HAS APPEARED AS COUNSEL FOR THE AZNARANS IN THE FEDERAL
24 COURT AGAINST HIS FORMER CLIENTS, THE PLAINTIFFS, WITHOUT
25 THEIR CONSENT IN VIOLATION -- APPEARS TO BE IN VIOLATION OF
26 BUSINESS AND PROFESSIONS CODE 6068(E) AND RULES OF
27 PROFESSIONAL CONDUCT 3-310(D).

28 THE COURT IN ITS STATEMENT OF DECISION IN

1 CASE NO. 690211, THE YANNY ONE CASE, OBSERVED THAT
2 DEFENDANT YANNY MANIFESTED, QUOTE, "READY WILLINGNESS TO
3 DISREGARD LEGAL ETHICAL RESPONSIBILITIES OWED TO HIS FORMER
4 CLIENT," CLOSED QUOTE.

5 YANNY HAS APPEARED AS COUNSEL OF RECORD FOR
6 THE AZNARANS ON MATTERS SUBSTANTIALLY SIMILAR TO THOSE FOR
7 WHICH YANNY WAS ENGAGED TO SAFEGUARD FOR HIS CLIENTS THE
8 PLAINTIFFS.

9 THERE IS NO WRITTEN CONSENT BY DEFENDANTS TO
10 DO SO, NOR DOES IT APPEAR THAT PLAINTIFFS WILL EVER
11 CONSENT, AND ON THAT SCORE, YOU WILL SEE PAGES 8855 DAR,
12 8849 IN THE COMPLEX ASBESTOS LITIGATION CASE AS PREVIOUSLY
13 CITED AND IS IN THE POINTS AND AUTHORITIES.

14 THE COURT NOTES IN THE COMPLAINT ALLEGES THAT
15 YANNY REPRESENTS GERALD ARMSTRONG AGAINST THE PLAINTIFFS.
16 THIS FACT IS DISPUTED AND WILL BE DETERMINED AT TRIAL.

17 IN THE INTERIM, THE COURT NOTES THAT THE
18 PLAINTIFFS SEEK A PRELIMINARY INJUNCTION TO PREVENT YANNY
19 FROM REPRESENTING ARMSTRONG IN ANY ACTION AGAINST THE
20 PLAINTIFFS.

21 YANNY, AN ATTORNEY FOR PLAINTIFF, BROUGHT
22 LEGAL ACTION AGAINST -- EXCUSE ME -- STRIKE THAT.

23 YANNY DENIES THAT HE REPRESENTS ARMSTRONG, A
24 FACT WHICH WILL BE DETERMINED AT TRIAL. THEREFORE, YANNY
25 SHOULD NOT BE CAUSED TO COMPLAIN FOR A PRELIMINARY
26 INJUNCTION THAT PREVENTS HIM FROM REPRESENTING ARMSTRONG.

27 FINALLY, MR. YANNY'S STATEMENT OF THE DILEMMA
28 THAT HE FOUND HIMSELF IN WHEN HE CHOSE TO BECOME OF RECORD

1 FOR THE AZNARANS IN THE FEDERAL COURT, IT WOULD APPEAR THAT
2 WITHOUT THE CONSENT OF THE FORMER CLIENTS, THAT IT APPEARS
3 TO BE A MATTER SUBSTANTIALLY SIMILAR TO THOSE FOR WHICH HE
4 REPRESENTED THE CHURCH AGAINST OTHERS, AND ALTHOUGH MR.
5 YANNY INSISTS THAT HE SAW IT HIS DUTY TO BECOME OF RECORD
6 FOR THE AZNARANS, IT APPEARS THAT, AT LEAST FOR THE
7 PURPOSES OF THIS HEARING, THAT MR. YANNY DID VIOLATE THE
8 RULES OF PROFESSIONAL CONDUCT BY NOT OBTAINING CONSENT --
9 AND I SAY, IT APPEARS TO -- AND THAT'S THE POSTURE THAT I
10 MAKE AT THIS TIME -- THAT IS THE RULING THAT I MAKE AT THIS
11 TIME.

12 THEREFORE, THE COURT FINDS THAT THERE'S A
13 LIKELIHOOD THAT THE PLAINTIFFS WILL PREVAIL IN THIS MATTER,
14 AND THAT THE MONEY DAMAGES ARE NOT ADEQUATE.

15 A PRELIMINARY INJUNCTION WILL ISSUE, NARROW
16 IN SCOPE. THAT IS TO SAY, THAT MR. YANNY SHALL NOT
17 REPRESENT THE AZNARANS DIRECTLY OR INDIRECTLY IN ANY CASE
18 AGAINST PLAINTIFFS, IN ANY CASE IN THIS COUNTY.

19 NEXT: YANNY MAY NOT INITIATE ANY LEGAL
20 PROCEEDINGS FOR AZNARANS AGAINST THE PLAINTIFFS WITHIN THE
21 STATE OR FEDERAL COURT OF THIS STATE.

22 NEXT: ANY ACTIONS ALREADY FILED BEFORE JULY
23 31ST, '91 IN WHICH YANNY IS OF COUNSEL FOR AZNARANS SHALL
24 BE SUBJECT TO AN INDIVIDUAL MOTION TO DISQUALIFY IN THAT
25 COUNTY, SHOULD THERE BE ONE.

26 THE POINT IS THAT THIS PRELIMINARY INJUNCTION
27 PRECLUDES YANNY FROM INITIATING ANY CASE WHERE HE IS OF
28 COUNSEL OF RECORD FOR THE AZNARANS IN THIS STATE.

1 INSOFAR AS GERALD ARMSTRONG IS CONCERNED, A
2 PRELIMINARY INJUNCTION WILL ISSUE THAT YANNY NOT REPRESENT
3 ARMSTRONG DIRECTLY OR INDIRECTLY IN ANY LEGAL PROCEEDING
4 AGAINST PLAINTIFFS WITHOUT PLAINTIFFS' PRIOR WRITTEN
5 CONSENT OR FURTHER COURT ORDER.

6 THAT YANNY NOT INITIATE ANY LEGAL PROCEEDING
7 IN ANY COURT OF THIS STATE OR IN THE FEDERAL COURT FOR
8 YANNY AGAINST -- FOR ARMSTRONG AGAINST THE PLAINTIFFS.

9 AND NEXT: IN ANY ACTION THAT MAY HAVE BEEN
10 FILED PRIOR TO JULY 31ST, '91 BY YANNY IN FAVOR OF
11 ARMSTRONG AGAINST THE PLAINTIFFS; THAT THAT MATTER SHALL BE
12 A SUBJECT OF AN INDIVIDUAL MOTION TO DISQUALIFY IN SUCH
13 OTHER COUNTY SHOULD THAT CASE HAVE BEEN FILED.

14 THE COURT HAS NARROWED THE INJUNCTION SO THAT
15 IT PRECLUDES MR. YANNY AND YANNY CORPORATION FROM
16 REPRESENTING THE AZNARANS AS COUNSEL, AND THAT MEANS
17 DIRECTLY OR INDIRECTLY.

18 WITHOUT ENUMERATING THE MANY INSTANCES WHERE
19 CONDUCT IS ALLOWED, THE GENERAL IMPORT OF THIS PRELIMINARY
20 INJUNCTION IS NOT TO PRECLUDE ASSOCIATION. IT'S NOT TO
21 PRECLUDE EMPLOYMENT. IT'S NOT TO PRECLUDE MR. YANNY'S
22 RELIGIOUS ACTIVITIES, IF THERE ARE ANY, AND IT IS NOT AN
23 ATTEMPT BY THIS COURT TO RESTRAIN ASSOCIATION, BUT RATHER,
24 IT'S A LIMITED INJUNCTION THAT PRECLUDES REPRESENTATION OF
25 THESE TWO OR THREE ENTITIES, THE TWO AZNARANS AND MR.
26 ARMSTRONG, AS LAWYERS IN A CASE, OR NOT REPRESENTING HIM AS
27 A LAWYER, AND NOT TO DO IT DIRECTLY OR INDIRECTLY, SUCH AS
28 THROUGH ANOTHER LAWYER.

1 HAVING SAID THAT, MR. DRESCHER, A NEW ORDER
2 WILL ISSUE CONSISTENT WITH THE COURT'S COMMENTS, MAKING IT
3 A VERY NARROW, LIMITED ONE, AS I'VE OUTLINED.

4 THE COURT FURTHER ORDERS THAT --

5 BEFORE I MAKE A FURTHER ORDER, I WILL POINT
6 OUT THAT JUDGE TORRES WILL THIS DAY SIGN AN ORDER ASSIGNING
7 THIS CASE TO THIS JUDGE WITHOUT FURTHER MOTION TO BE MADE
8 BY EITHER SIDE, AND THE COURT HEREBY ORDERS THAT DEFENDANTS
9 FILE AN ANSWER WITHIN 20 DAYS AND, FURTHER, THAT AN AT
10 ISSUE MUST BE FILED WITHIN 30 DAYS OF TODAY'S DATE.

11 FURTHER, THAT THE TRIAL OF THIS MATTER IS
12 GOING TO BE SET OCTOBER 21ST, 1991 AT 9:00 A.M. IN THIS
13 DEPARTMENT.

14 MR. YANNY: YOUR HONOR --

15 THE COURT: YES.

16 MR. YANNY: -- IF I MIGHT.

17 I WANT TO MAKE SURE THAT THE ORDER AS THE
18 COURT HAS INDICATED DOES NOT AS WELL PRECLUDE ME FROM
19 DEFENDING MYSELF ANYPLACE, SUCH AS IN THE AZNARANS' CASE,
20 WHERE MY NAME HAS BEEN INTERJECTED --

21 THE COURT: FURTHER COMMENT.

22 MR. YANNY: -- BY THESE PEOPLE.

23 THE COURT: FURTHER COMMENT: CONSISTENT WITH ITS
24 RULING IN YANNY I, THE COURT NOW MAKES NO ORDER PRECLUDING
25 OR PREVENTING MR. YANNY FROM BRINGING ANY LEGAL ACTION
26 AGAINST THE PLAINTIFFS, SHOULD HE DEEM THAT HE HAS BEEN
27 WRONGED.

28 IT IS NOT AN ORDER THAT PRECLUDES HIM FROM

1 GATHERING EVIDENCE IN SUPPORT OF HIS CASE AGAINST THE
2 PLAINTIFFS, NOR DOES IT PRECLUDE HIM FROM TALKING TO
3 POTENTIAL WITNESSES FOR HIS CASE, SHOULD THERE BE ONE.

4 I PURPOSEFULLY HAVE NOT SOUGHT TO ENUMERATE
5 ALL THE INSTANCES THAT ARE NOT COVERED, BUT RATHER TO GIVE
6 YOU SOME GENERAL STATEMENTS TO GIVE YOU SOME GUIDELINE.

7 THE COURT HAS NOW SET A TRIAL DATE, WHICH IS
8 A QUICK ONE, BUT THE ISSUES ARE NARROW, AND IT SEEMS TO ME,
9 AS AN OBSERVATION, RATHER THAN A RULING, THAT THE REAL
10 ISSUE IS WHETHER A PERMANENT INJUNCTION SHOULD BE ISSUED AS
11 AGAINST YANNY REPRESENTING THE AZNARANS, AND THE FACTUAL
12 QUESTION WHETHER OR NOT THERE REALLY IS ANY REPRESENTATION
13 OF ARMSTRONG BY YANNY.

14 THE ORDER IS MADE THIS MORNING ON THE PREMISE
15 THAT MR. YANNY DENIES THAT HE REPRESENTS ARMSTRONG, AND IF
16 THAT'S THE CASE, HE'S NOT HARMED IN THE INTERIM BY IT, BUT
17 THE COMMENTS MADE ARE INTENDED TO GIVE SOME INSIGHT THAT I
18 DON'T ANTICIPATE NOR WILL I LOOK TOO KINDLY ON PLAINTIFFS
19 BRINGING DEFENDANT YANNY IN HERE FOR EVERY, LITTLE CLAIMED
20 WRONG, BECAUSE THAT IS NOT THE INTENT.

21 THE INTENT IS TO QUICKLY RESOLVE THIS MATTER,
22 AND IT IS IN THE LAST WORD I HAVE TO SAY IS, AS FAR AS THIS
23 COURT'S CONCERNED, THIS IS NOT A LAWSUIT TO RIGHT MANY
24 WRONGS THAT ARE CLAIMED OR TO RESOLVE THE OBVIOUS DISPUTE
25 AND TO EQUAL THE ANIMOSITY THAT EXISTS, BUT RATHER TO RULE
26 ON THE NARROW QUESTIONS OF WHETHER OR NOT THERE'S A
27 VIOLATION OF RULES OF PROFESSIONAL CONDUCT, AND WHAT, IF
28 ANY, THE COURT SHOULD GIVE TO IT.

1 MR. YANNY: YOUR HONOR, I WOULD ASK WITH RESPECT TO
2 THE MATTER OF THE BOND, I WOULD ASK THAT THERE BE NO BOND
3 POSTED AND THE PLAINTIFFS WAIVE --

4 THE COURT: TO THE EXTENT THAT THERE IS A BOND,
5 THERE WILL BE NO BOND.

6 MR. YANNY: SO AS NOT TO BE PRECLUDED FROM GOING
7 AFTER THE FULL AMOUNT OF DAMAGE SHOULD THERE HAVE BEEN A
8 WRONGFUL ENJOINMENT AT THE REQUEST OF THE PLAINTIFFS.

9 THE COURT: THE REQUEST OF DAMAGES AND SO FORTH WILL
10 BE ADDRESSED TO OCTOBER 21ST.

11 MR. DRESCHER: THANK YOU, YOUR HONOR.

12 MR. QUINN: YOUR HONOR, MIGHT I POINT OUT JUST ONE
13 MECHANICAL PROBLEM.

14 THE AZNARANS' TRIAL IS SET FOR OCTOBER, WHICH
15 MR. DRESCHER AND I APPEAR, AND IT'S TO BE FOLLOWED BY THE
16 CORYDON CASE, THE ONLY CASE WE'RE INVOLVED WITH MR. VAN
17 SICKLE, WHICH COMES RIGHT BEYOND BEHIND THAT, SO I JUST
18 THOUGHT WE OUGHT TO WARN YOU ABOUT THE PROBLEM ON THE TRIAL
19 DATE.

20 THE COURT: TO BEGIN WITH, I THOUGHT CORYDON HAD
21 SOMEHOW BEEN RESOLVED OR WAS ON THE VERGE OF BEING
22 RESOLVED, WHICH WOULD ELIMINATE ONE OF THE QUESTIONS. THE
23 OTHER CASE, I'M NOT AWARE OF.

24 BUT FOR NOW, I'M GOING TO DO THE FOLLOWING:
25 I'M GOING TO ADD THAT THERE WILL BE A STATUS
26 CONFERENCE IN THIS CASE OCTOBER 11TH, '91, AT 9:00 A.M. IN
27 THIS DEPARTMENT, AND THAT IS SO THAT THE COURT CAN REVIEW
28 THE POSTURE OF THE OTHER PROCEEDINGS AND MAKE SUCH OTHER

1 ORDERS AS WILL BE REQUIRED.

2 I THINK I'VE SAID ALL THAT I NEED TO SAY,
3 AND, MR. DRESCHER, IF YOU WILL, PREPARE AN ORDER CONSISTENT
4 WITH THE COURT'S COMMENTS.

5 MR. DRESCHER: WE CERTAINLY WILL.

6 THANK YOU.

7 MR. YANNY: THANK YOU, YOUR HONOR.

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9 (PROCEEDINGS CONCLUDED.)

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT 41

HON. RAYMOND CARDENAS, JUDGE

RELIGIOUS TECHNOLOGY CENTER, A CALIFORNIA NON-PROFIT RELIGIOUS CORPORATION; CHURCH OF SCIENTOLOGY INTERNATIONAL, A CALIFORNIA NON-PROFIT RELIGIOUS CORPORATION; AND CHURCH OF SCIENTOLOGY OF CALIFORNIA, A CALIFORNIA NON-PROFIT RELIGIOUS CORPORATION,

PLAINTIFFS,

VS.

JOSEPH A. YANNY, AN INDIVIDUAL; JOSEPH A. YANNY, A PROFESSIONAL LAW CORPORATION; AND DOES 1 THROUGH 25, INCLUSIVE,

DEFENDANTS.

SUPERIOR COURT CASE NO. BC 033035

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)

I, LINDA STALEY, OFFICIAL REPORTER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF LOS ANGELES, DO HEREBY CERTIFY THAT THE FOREGOING PAGES 1 THROUGH 8, INCLUSIVE, COMPRISE A TRUE AND CORRECT TRANSCRIPT OF THE PROCEEDINGS TAKEN IN THE ABOVE-ENTITLED MATTER REPORTED BY ME ON AUGUST 6, 1991.

DATED THIS 6TH DAY OF AUGUST 1991.

[Handwritten signature of Linda Staley]
LINDA STALEY, CSR NO. 8359
OFFICIAL REPORTER

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 1925 Century Park East, Suite 1260, Los Angeles, California 90067.

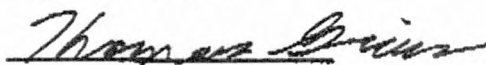
On December 17, 1991, I served the foregoing document described as: EXHIBIT "Z" IN SUPPORT OF PETITIONER'S REPLY TO OPPOSITION TO APPLICATION TO INTERVENE AND FOR ACCESS TO SEALED FILES; REQUEST FOR SANCTIONS on the interested parties in this action by telefacsimile and by placing true copies thereof enclosed in a sealed envelope, and delivering the same by hand, addressed as follows:

All Scientology Counsel served care of:
Bowles & Moxon
6255 Sunset Blvd., Suite 200
Hollywood, Ca 90028

Toby Plevin, Esq.
10700 Santa Monica Blvd., #4-300
Los Angeles, CA 90025

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct and that I am employed by a member of the bar of this Court at whose direction this service was made.

Executed this 17 day of December, 1991, at Los Angeles, California.


Thomas Grieco

1 JOSEPH A. YANNY, ESQ. - Bar No. 97979
 PATRICK K. SMITH, ESQ. - Ohio Bar No. 11208
 2 LAW OFFICES OF JOSEPH A. YANNY
 1925 Century Park East
 3 Suite 1260
 Los Angeles, California 90067
 4 (310) 551-2966
 5 Attorneys for Petitioner Joseph A. Yanny

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 7
 8 SUPERIOR COURT OF CALIFORNIA
 9 FOR LOS ANGELES COUNTY (CENTRAL)

10 CHURCH OF SCIENTOLOGY OF)
 11 CALIFORNIA, a California)
 corporation,)
 12)
 Plaintiff,)
 13 vs.)
 14)
 GERALD ARMSTRONG; DOES 1)
 15 through 10, inclusive,)
 16 Defendants.)

Civil No. C 420153
 DECLARATION OF JOSEPH A.
 YANNY IN SUPPORT OF
 PETITIONER'S REPLY TO
 OPPOSITION TO APPLICATION
 TO INTERVENE AND FOR ACCESS
 TO SEALED FILES; REQUEST
 FOR SANCTIONS
 DATE: December 23, 1991
 TIME: 9:00 a.m.
 DEPT: 56

17 GERALD ARMSTRONG,)
 18 Cross-Complainant)
 19 vs.)
 20 CHURCH OF SCIENTOLOGY OF)
 CALIFORNIA, a California)
 21 corporation; L. RON HUBBARD;)
 and DOES 1 through 100,)
 22 inclusive,)
 23 Cross-Defendants)

DISCOVERY CUTOFF: None
 MOTION CUTOFF: None
 TRIAL DATE: None

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1 JOSEPH A. YANNY, ESQ. - Bar No. 97979
 2 PATRICK K. SMITH, ESQ. - Ohio Bar No. 11208
 3 LAW OFFICES OF JOSEPH A. YANNY
 4 1925 Century Park East
 5 Suite 1260
 6 Los Angeles, California 90067
 7 (310) 551-2966

8 Attorneys for Petitioner Joseph A. Yanny

9
 10
 11 SUPERIOR COURT OF CALIFORNIA
 12 FOR LOS ANGELES COUNTY (CENTRAL)
 13

14 CHURCH OF SCIENTOLOGY OF) Civil No. C 420153
 15 CALIFORNIA, a California)
 16 corporation,)
 17) [PROPOSED] COMPLAINT
 18) OF INTERVENOR JOSEPH A.
 19 Plaintiff,) YANNY

20 vs.)

21 GERALD ARMSTRONG; DOES 1)
 22 through 10, inclusive,)
 23)
 24 Defendants.)

25 AND RELATED CROSS ACTION)

26 JOSEPH A. YANNY,)
 27)
 28 Intervenor,)

29 vs.)

30 CHURCH OF SCIENTOLOGY, a)
 31 California corporation,)

32 vs.)

33 GERALD ARMSTRONG)

1 thereon alleges, that such restricted conduct includes, but is
2 not limited to, engaging in the prosecution and/or defense of
3 other actions involving SCIENTOLOGY, and avoiding service of
4 process (such as a deposition subpoena) if issued by any party
5 adverse to SCIENTOLOGY.

6 6. YANNY is informed and believes, and based thereon
7 alleges, that all violations of this agreement expose
8 ARMSTRONG to a potential penalty of \$50,000.00 per violation.

9 7. In July, 1991, SCIENTOLOGY and related entities sued
10 YANNY in an action entitled Religious Technology Center, et
11 al. v. YANNY, et al., LASC BC 033035 ("YANNY Action"). One of
12 the allegations made by SCIENTOLOGY in the YANNY action was
13 that YANNY had assisted ARMSTRONG in litigation against
14 SCIENTOLOGY. In opposition to an Application by SCIENTOLOGY
15 for a Temporary Restraining Order against YANNY, ARMSTRONG
16 voluntarily provided a Declaration to YANNY, attacking some of
17 the false allegations made by SCIENTOLOGY in the YANNY action.

18 8. YANNY is now informed and believes, and based
19 thereon alleges, that SCIENTOLOGY has made a Motion to Enforce
20 Agreement in this action, claiming, inter alia, that
21 ARMSTRONG's assistance of YANNY in the YANNY action has
22 violated, and will violate, the terms of the settlement
23 agreement between ARMSTRONG and SCIENTOLOGY.

24 **CLAIM FOR RELIEF**
25 **(Declaratory Judgment)**

26 9. YANNY incorporates paragraphs 1 through 8 of this
27 Complaint, as if fully set forth herein.

1 10. The Settlement Agreement between ARMSTRONG and
2 SCIENTOLOGY is illegal and void as against public policy, in
3 that it seeks to "silence" witnesses and obstruct the fair
4 administration of justice. Certain terms of the Settlement
5 Agreement have prevented, and will continue to prevent,
6 YANNY's ability to maintain rights to equal access to the
7 judicial system, and such an agreement is prohibiting YANNY
8 from his ability to gather evidence in his defense in the
9 YANNY action.

10 11. Therefore, YANNY seeks a Declaration from this Court
11 that:

12 a. The provisions of the Settlement Agreement which
13 provide that ARMSTRONG is to avoid service of process and not
14 assist any individual or entity against SCIENTOLOGY are void
15 as against public policy;

16 b. The provisions of the Settlement Agreement which
17 provide that ARMSTRONG is to avoid service of process and not
18 assist any individual or entity against SCIENTOLOGY only serve
19 to aid in the obstruction of justice and are therefore
20 illegal;

21 c. The provisions of the Settlement Agreement which
22 provide that ARMSTRONG is to avoid service of process and not
23 assist any individual or entity against SCIENTOLOGY are
24 unconscionable and should be stricken from the Settlement
25 Agreement as void.

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WHEREFORE, YANNY prays as follows:

1. That this Court issue a Declaration that:

a. The provisions of the Settlement Agreement which provide that ARMSTRONG is to avoid service of process and not assist any individual or entity against SCIENTOLOGY are void as against public policy;

b. The provisions of the Settlement Agreement which provide that ARMSTRONG is to avoid service of process and not assist any individual or entity against SCIENTOLOGY only serve to aid in the obstruction of justice and are therefore illegal; and

c. The provisions of the Settlement Agreement which provide that ARMSTRONG is to avoid service of process and not assist any individual or entity against SCIENTOLOGY are unconscionable and should be stricken from the Settlement Agreement as void.

Dated: December ____, 1991 Submitted by,

LAW OFFICES OF JOSEPH A. YANNY

By: _____
Joseph A. Yanny
Attorneys for YANNY

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 1925 Century Park East, Suite 1260, Los Angeles, California 90067.

On December 17, 1991, I served the foregoing document described as: DECLARATION OF JOSEPH A. YANNY IN SUPPORT OF PETITIONER'S REPLY TO OPPOSITION TO APPLICATION TO INTERVENE AND FOR ACCESS TO SEALED FILES; REQUEST FOR SANCTIONS on the interested parties in this action by telefacsimile and by placing true copies thereof enclosed in a sealed envelope, and delivering the same by hand, addressed as follows:

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Executed this 17 day of December, 1991, at Los Angeles, California.


Thomas Grieco